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AO 91 (Rev. 08/09) Criminal Complaint

UNITED STATES DISTRICT COURT
for the
Eastern District of Michigan

United States of America,

Plaintiff,

v.

DILSHAD CHOWDHURY

Case: 2:14-mj-30487
Judge: Unassigned,
Filed: 09-18-2014 At 03:41 PM
SEALED MATTER (LCB)

Defendant(s).

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief:

On or about the date(s) of April 18, 2014 through June 12, 2014, in the county of Wayne
in the Eastern District of Michigan, the defendant(s) violated:

Code Section
7 U.S.C. 2024(b)

Offense Description
Food Stamp Fraud

This criminal complaint is based on these facts:

☒ Continued on the attached sheet.

Jenna Shiver
Complainant's signature

S/A Jenna Shiver

Printed name and title

Sworn to before me and signed in my presence.

Date:

9/18/14

Mona K. Majzoub
Judge's signature

City and state: Detroit, Michigan

Mona K. Majzoub
U.S. Magistrate Judge

AFFIDAVIT

I, Jenna Shiver, being duly sworn on oath, state as follows:

1. I am a Special Agent of the United States Department of Agriculture, Office of Inspector General (USDA-OIG), assigned to the East Lansing, Michigan sub-office. I am a graduate of the Federal Law Enforcement Training Center's Criminal Investigator Training Program and the Inspector General Criminal Investigator Training Program. I possess a Bachelor of Arts degree and a Master of Science degree from Michigan State University.
2. As part of my duties as a USDA-OIG Special Agent, I conduct investigations of offenses involving food stamp fraud, access device fraud, money laundering, wire fraud, and other financial crimes. I have conducted this investigation in conjunction with the Michigan State Police, Bridge Card Enforcement Team (MSP-BCET). This affidavit is based on my personal knowledge, as well as information obtained from documents, electronic databases, witnesses, and other law enforcement agents involved in this investigation. The information contained in this affidavit is provided for the purpose of establishing probable cause for a search warrant and does not contain all the details of the case as they are known to me.
3. This affidavit is submitted in support of the Government's application for the issuance of an arrest warrant for the following individual:

DILSHAD CHOWDHURY

4. As set forth in detail below, there is probable cause to believe that DILSHAD CHOWDHURY (CHOWDHURY) has conducted criminal activity, including the unauthorized acquisition of more than \$100 in food stamp benefits, in violation of Title 7, United States Code, Section 2024(b), among other federal violations.

Background: Federal Food Stamp Program / Supplemental Nutrition Assistance Program

5. In 2001, the United States Department of Agriculture (USDA), through the State of Michigan Family Independence Agency (FIA), now known as Michigan Department of Human Services (DHS), began converting from a traditional paper food stamp coupon system to what is known as an

Electronic Benefit Transfer (EBT) card. The EBT card is an access device within the meaning of Title 18, United States Code, Section 1029(e)(1), in that it is a card containing a series of numbers which can be used to obtain items of value, specifically, eligible food items under the Food Stamp Act.

6. To become eligible to participate in the Supplemental Nutrition Assistance Program (SNAP) (more commonly referred to as the Food Stamp Program), store owners are required to complete, sign, and submit a Food Stamp Program Application for Stores, form FNS 252, to the USDA Food and Nutrition Service (FNS). Stores approved to participate in the Food Stamp Program are issued a food stamp authorization number. To access the electronic funds on the EBT card, authorized vendors are also provided with a "point of sale device" (POS), which serves to debit recipients' food stamp account for the cash value of eligible food items purchased.
7. To administer Federal program benefits, the State of Michigan DHS uses an on-line magnetic card EBT system, employing existing card technology developed by financial institutions and credit card companies. DHS provides a plastic EBT card to food stamp recipients which contains a magnetic strip containing basic information necessary to make food purchases. At an authorized vendor, the recipient presents the card and enters a personal identification number (PIN) into a POS terminal. The POS terminal communicates with a central database that maintains recipient account balance information. The central database verifies the amount of benefits available, authorizes the transaction, and deducts the purchase amount from the recipient's account. If an EBT Card is not present during the time of purchase, a manual purchase can be authorized by the food stamp recipient. During a manual food stamp purchase, the recipient's unique sixteen-digit EBT card number is manually keyed into the POS terminal. After correctly inputting the card number, the recipient enters the PIN and the POS terminal proceeds to communicate with the central database using the same procedures as with a traditional EBT Card food stamp purchase. The system also calculates cumulative food stamp sales for each retailer, and authorizes payment electronically to the retailer's bank account. In Michigan, EBT transactions involve interstate transfer of information via wire, specifically the transfer of electronic information to and from the states of Michigan and Texas. The Food Stamp Program is funded by the USDA, and administered through the State of Michigan DHS.

8. Pursuant to the Food Stamp Act, recipients are permitted to exchange food stamp benefits only for eligible food items. Food stamp transactions are completed via use of an EBT card, and these purchases can only take place at stores authorized by USDA-FNS to accept food stamp benefits. By law, food stamp benefits cannot be exchanged or redeemed for cash; nor can they be used to obtain items such as alcoholic beverages, tobacco, vitamins, medicines or pet foods.

Facts in this Investigation

Food Stamp Program Authorization

9. NEW AL-MADINA GROCERY is a small grocery store located in Hamtramck, Michigan. The store became authorized to accept food stamp benefits on December 12, 2011 and a review of USDA-FNS Form 252 "Food Stamp Application for Stores" disclosed that HABIBUR RAHMAN (RAHMAN) and ABEDA SULTANA (SULTANA) are listed as the owners of NEW AL-MADINA GROCERY.
10. This investigation was initiated after a review of the food stamp transactions at NEW AL-MADINA GROCERY disclosed food stamp activity which was substantially more than that of small grocery stores in the same geographic area.
11. According to USDA-FNS records, on or about November 1, 2011, RAHMAN completed USDA-FNS Form 252 "Food Stamp Application for Stores" and submitted the form to USDA-FNS. In completing the application, RAHMAN certified, in pertinent part:
 - a. He will follow, and ensure store employees follow, the Food Stamp Program regulations;
 - b. he is aware that violations of the Food Stamp Program rules can result in fines, legal sanctions, withdrawal or disqualification from the Food Stamp Program, and Federal, State, and/or local criminal prosecution and sanctions;
 - c. he accepts responsibility on behalf of NEW AL-MADINA GROCERY for violations of the Food Stamp Program regulations, including, but not limited to:

- i. trading cash for food stamp benefits (i.e. trafficking),
 - ii. accepting food stamp benefits from people not authorized to use them,
 - iii. accepting food stamp benefits as payments on credit accounts or loans, or
 - iv. accepting food stamp benefits as payments for ineligible items.
12. According to the "Articles of Incorporation" documents filed with the State of Michigan, the business address of NEW AL-MADINA GROCERY is listed as 2222 Caniff Street, Hamtramck, Michigan. NEW AL-MADINA GROCERY is operated under the corporation RAHMAN LLC. The registered office mailing address for RAHMAN LLC., d.b.a. NEW AL-MADINA GROCERY is listed as 2222 Caniff Street, Hamtramck, Michigan. In November 2012, CHOWDHURY became the resident agent of NEW AL-MADINA GROCERY until June 17, 2014 when FOIZUL ISLAM (ISLAM) certified himself as resident agent.
13. Stores authorized to participate in the Food Stamp Program are reimbursed by USDA through electronic funds transfer directly to the store's bank account. An analysis of NEW AL-MADINA GROCERY's bank records indicate that the food stamp reimbursements are electronically deposited into PNC bank account XXXXXX8294 in the name of RAHMAN LLC and NEW AL-MADINA GROCERY. From September 2012 through September 8, 2014, CHOWDHURY has been the authorized signer on the NEW AL-MADINA GROCERY PNC bank account XXXXXX8294.

New Al-Madina Grocery: Undercover Operations

14. From March 2014 through present, USDA-OIG Special Agents have been conducting an investigation related to ongoing food stamp fraud activities at NEW AL-MADINA GROCERY. During undercover operations at NEW AL-MADINA GROCERY, CHOWDHURY indicated he owned and/or operated the business.

15. From April 2014 through the August 2014, a series of undercover operations were conducted at NEW AL-MADINA GROCERY. These undercover operations utilized a confidential informant (CI). These operations have been monitored by law enforcement and consensually recorded with audio and video equipment. The following information is derived from observations made by Special Agents, debriefings of the confidential informants immediately following transactions, and a review of audio and video recordings obtained during the undercover operations:

- a. On May 20, 2014, a confidential informant (CI) equipped with audio/video recording device, exchanged food stamp benefits for cash and ineligible items at NEW AL-MADINA GROCERY. During the transaction, the CI entered NEW AL-MADINA GROCERY and approached CHOWDHURY (identified as CHOWDHURY through review of his official driver's license on file with the Michigan Secretary of State) who was standing behind the counter. CI asked CHOWDHURY for size three diapers and size four diapers. CHOWDHURY told CI where to find the diapers. CI asked for the price of the diapers and CHOWDHURY explained the different quantities and prices. CI took the items to the cash register and CI explained that the items needed to be split into two transactions using two different EBT Cards. CHOWDHURY asked "how much you doing" referring to the first EBT Card and CI responded "two... you can do two." CHOWDHURY stated "two and this." CI responded affirmatively and said "and these" and added the package of baby wipes to the transaction. While CHOWDHURY was completing the transaction, CI had a conversation with CHOWDHURY regarding WIC benefits. CI asked if the store accepted WIC benefits. CHOWDHURY responded "uhhh I take it somewhere but I don't [inaudible]" CHOWDHURY continued "I can take it somewhere but you cannot go I have to go." CHOWDHURY asked "What do you have on your WIC?" CI responded "I usually get about 12 cans of milk." CHOWDHURY answered "Twelve cans? Wow." CHOWDHURY continued "Bring it in. [Inaudible] Do you ever cash out?" CI responded affirmatively. CI did not exchange WIC benefits for cash during the conversation as an undercover WIC Card was not available for use during the transaction. After completing the first transaction, CHOWDHURY instructed CI to take the items from the transaction to the CI's car parked outside. CI loaded the purchased items into the car and walked back inside the store. CHOWDHURY

completed the second transaction while CI was loading the items in the vehicle. CI purchased one box of diapers, one package of baby wipes, and one can of air freshener and received \$140.00 U.S. Currency in exchange for \$270.46 in SNAP Benefits. During the second transaction CI purchased one box of diapers and received \$175.00 U.S. Currency in exchange for \$278.29 in SNAP Benefits. CHOWDHURY retrieved cash from a Lincoln MKX (License Plate: DCS 5796) parked in front of the store. In total, the CI received \$315.00 cash, two boxes of diapers, one can of air freshener, and one package of baby wipes in exchange for \$548.75 in SNAP Benefits. CHOWDHURY executed two transactions using two undercover EBT cards provided to the CI by USDA-OIG Special Agents. This transaction was recorded and contemporaneously monitored by USDA-OIG Special Agents.

- a. On the following dates, using the same general procedures as in the transaction described above, NEW AL-MADINA GROCERY illegally redeemed food stamp benefits and for cash and ineligible items:

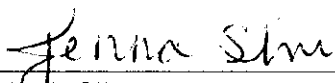
Date(s)	Parties	Amount
4/18/2014	CI / DILSHAD CHOWDHURY / ABUL HUSHAN	\$45.93 food stamp benefits in exchange for \$20 cash, one bottle of cleaner, one trial size Vaseline, two soap bars, and two gallons of milk
5/8/2014	CI / DILSHAD CHOWDHURY / ABUL HUSHAN	\$146.97 food stamp benefits in exchange for \$70 cash, one package of diapers, one bottle of laundry detergent, and one package of baby wipes

16. Based on undercover operations conducted throughout this investigation, DILSHAD CHOWDHURY conducted three fraudulent transactions, during which NEW AL-MADINA GROCERY redeemed \$741.65 in food stamp benefits in exchange for \$405 cash and ineligible items.

17. Based on the information contained in this affidavit, there is probable cause to believe that CHOWDHURY has committed, among other violations, the unauthorized acquisition of more than \$100 in food stamp benefits in violation of Title 7, United States Code, Section 2024(b).

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed by affiant this 18th day of
September, 2014.



JENNA SHIVER
Special Agent
USDA- Office Inspector General

Subscribed and sworn before me
this 18th day of September, 2014.



United States Magistrate Judge